

MIRS Capitol Capsule
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Latest On Blues Bills, P.A. 141

The next two weeks could prove crucial in deciding whether the Blue Cross Blue Shield of Michigan's (BCBSM) individual market reform reaches Gov. Jennifer **GRANHOLM**'s desk before the November elections.

In the meantime, legislation that would return the state's two giant electric utilities, Detroit Edison and Consumers Energy, to monopoly status is in limbo. A breakthrough on the legislation ([HB 5524](#)) isn't expected. Instead, the process seems to be one where drafts of the measure will repeatedly be offered, rewritten and offered again.

Currently, it appears that changes are at least 50-50 that [HB 5524](#) could still be around for legislative agendas next December. This prospect is possible, but less likely with the Blues' bills.

Rewriting P.A. 141

The legislative process appears to be moving inch-by-inch regarding legislation ([HB 5524](#)) to repeal Consumer Choice (P.A. 141.) and thereby give monopoly status back to Consumers Energy and Detroit Edison. But moving inch-by-inch could ultimately mean it might never get passed.

Apparently the "heavy lifting" for trying to reach consensus on [HB 5524](#) is taking place in the House. Once the bill (or if the bill) moves in the House, opposition to it will have been diminished enough for it to just keep on moving through the Senate.

This process of diminishing opposition is taking place by redrafting (some would say watering down) the legislation drop-by-drop. The latest (No. 5) draft will soon be scrutinized by groups including Cox, the Michigan Chamber of Commerce, the Michigan Manufacturers Association (MMA) and so on.

The game here appears to be getting to a point where objections to it are minimized and opposition dips from strong to mild. Few observers seem to expect that opposition would ever completely disappear. In theory, after opposition has been diminished enough, the bill could squeak through the House and Senate and arrive on the Governor's desk.

However, this process may be time consuming and ultimate passage of the legislation is far from guaranteed, especially considering that Consumers Energy and Detroit Edison have very few other groups in their corner. What's more, other factors could become involved.

The word in the Capitol lobby is that if the alternative energy package is separated from [HB 5524](#), the package would fly quickly to the Governor's desk, while the P.A. 141 issue would deflate like a punctured tire, but both Granholm and House Speaker Andy **DILLON** (D-Redford Twp.) have maintained that the two issues are linked.

There may be mounting pressure to break the tie-bars between [HB 5524](#) and the alternative energy package. Granholm highlighted the alternative energy package in her State of the State Address and at the moment, she is clearly supportive of it being tie-barred to the P.A. 141 bill. But will her outlook change if that bill continues to prevent "her" alternative energy bills from moving in the spring? In the summer? In lame duck?